

**STATE OF SOUTH CAROLINA**  
**BEFORE THE PUBLIC SERVICE COMMISSION**

**DOCKET NO. 2022-3-E**

In re: Annual Review of Base Rates for Fuel Costs of Duke Energy Carolinas, LLC (For Potential Increase or Decrease in Fuel Adjustment or Gas Adjustment)	) ) ) ) ) ) )	<b>PETITION TO INTERVENE</b>
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The South Carolina Coastal Conservation League (“CCL”), Southern Alliance for Clean Energy (“SACE”), and Upstate Forever (collectively, “Petitioners”) respectfully petition the Public Service Commission of South Carolina (“Commission”) to intervene in the above-captioned docket pursuant to R.103-825 of the Commission’s rules of practice and procedure. In support of this petition, Petitioners state as follows:

1. Pursuant to S.C. Code Ann. Section 58-27-865, the Commission opened the above-referenced docket to conduct its annual review of fuel purchasing practices and policies of Duke Energy Carolinas, LLC (“DEC” or “Company”). In this proceeding, DEC seeks to recover costs incurred over from June 1, 2021, through May 31, 2022.

2. S.C. Code Ann. Section 58-27-865(F) authorizes the Commission to grant recovery of fuel costs unless the utility, without just cause, has failed “to make every reasonable effort to minimize fuel costs” or where those costs are “unreasonable,” giving due regard to “reliability of service, economical generation mix, generating experience of comparable facilities, and minimization of the total cost of providing service.”

3. S.C. Code Ann. Section 58-27-865(A)(1) further authorizes the recovery in annual fuel proceedings of “incremental and avoided costs of distributed energy resource

programs and net metering as authorized and approved under Chapters 39 and 40, Title 58...under a separate distributed energy component of the overall fuel factor.” Recoverable costs are capped in S.C. Code Ann. Section 58-39-150 “[f]or the protection of consumers and to ensure that the cost of [distributed energy resource] programs do not exceed a reasonable threshold.”

4. The Company must compute and update annually the “costs and benefits of net metering and the required amount of the [Distributed Energy Resource Net Energy Metering (“DER NEM”)] Incentive coincident in time with [its] filing under the fuel clause.” Order No. 2015-194; *see also* S.C. Code Ann. § 58-39-140(B). The methodology used to determine the “costs and benefits of net metering and the required amount of the DER NEM Incentive” available to existing customer generators who applied for net metering prior to June 1, 2021, is governed the Settlement Agreement approved by Order No. 2015-194, as modified by Order No. 2021-569 in Docket No. 2019-182-E. Among other requirements, Order No. 2021-569 directs utilities to evaluate solar PV over a 20-year lifespan, track and quantify avoided transmission and distribution costs, and consider fuel hedging investments.

5. CCL is a nonprofit corporation organized under the laws of the State of South Carolina whose mission is to protect the natural environment of the South Carolina coastal plain and to enhance the quality of life in its communities by working with individuals, businesses, and government to ensure balanced solutions. CCL and its members support the development of energy policy that is in the public interest of South Carolinians. CCL has members in South Carolina who receive electricity service from DEC and will be impacted by the decisions made in this proceeding regarding the recovery

of fuel costs and incremental and avoided costs of DER programs. The principal address of CCL is 131 Spring Street, Charleston, South Carolina 29403.

6. SACE is a nonprofit organization whose mission is to promote responsible and equitable energy choices to ensure clean, safe and healthy communities throughout the Southeast. SACE and its members are interested in promoting greater reliance on clean energy resources to meet the South's energy needs. Like CCL, SACE has members who receive electricity service from DEC and will be impacted by the decisions made in this proceeding regarding the recovery of fuel costs and incremental and avoided costs of DER programs. SACE's principal address is P.O. Box 1842, Knoxville, Tennessee 37901. SACE also has offices in Georgia and North Carolina, and in-state staff in Florida and South Carolina.

7. Upstate Forever is a non-profit, membership-based organization existing under the laws of the State of South Carolina. Upstate Forever promotes sensible growth and the protection of the critical lands, waters, and unique character of Upstate South Carolina. Upstate Forever has members in South Carolina who receive electricity service from DEC and will be directly impacted by the decisions made in this proceeding regarding the recovery of fuel costs and incremental and avoided costs of DER programs. The principal address of Upstate Forever is 507 Pettigru Street, Greenville, South Carolina, 29601.

8. Petitioners CCL and SACE have participated as interveners in multiple fuel recovery proceedings before the Commission, as well as in proceedings relating to the implementation of the South Carolina Distributed Energy Resource Act, including Docket Nos. 2014-246-E, 2015-53-E, 2015-54-E, 2015-55-E, 2015-203-E, 2015-204-E, 2015-

205-E, 2015-362-E, 2016-1-E, 2016-2-E, 2016-3-E, 2017-1-E, 2017-2-E, 2017-3-E, 2018-1-E, 2018-2-E, 2018-3-E, 2019-1-E, 2019-2-E, 2019-3-E, 2020-1-E, 2020-2-E, 2020-3-E, 2021-1-E, 2021-2-E, 2021-3-E, 2022-1-E, and 2022-2-E.

9. Petitioners and their members have direct and substantial interests that will be impacted by the Commission's review and approval of DEC's 2022 fuel rider. Petitioners seek to ensure that DEC's fuel purchasing practices and policies are just and reasonable, result in the lowest reasonable costs to customers, and take into account the volatility and risks associated with natural gas prior to passing fuel costs to customers. Petitioners also seek to ensure a full and proper valuation of NEM generation and appropriate cost recovery consistent with Order Nos. 2015-194 and 2021-569, that will accurately reflect and support an effective and diversified portfolio of distributed energy resources and lead to cleaner, safer, and healthier communities for all South Carolinians. Petitioners' support for these policies and involvement in this proceeding will promote their members' interests as well as the broader public interest.

10. Pursuant to R. 103-804(T) of the Commission's Rules of Practice and Procedure, the Petitioners are represented by counsel in this proceeding:

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WHEREFORE, Petitioners pray that they be allowed to intervene as a party of record and participate fully in this proceeding.

Respectfully submitted this 15 day of June, 2022.

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*Attorneys for Petitioners South Carolina  
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Upstate Forever*

I hereby certify that the parties listed below have been served via first class U.S. Mail or electronic mail with a copy of the *Petition to Intervene* of the South Carolina Coastal Conservation League, Upstate Forever, and Southern Alliance for Clean Energy.

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This 15<sup>th</sup> day of June 2022.

s/Kate Lee Mixson